



Request for Proposal

Market Validation and Financial Feasibility Study: Multi-Purpose Conference and Community Center

Issue Date: April 19, 2013

Proposal Due Date: May 24, 2013 by 3 p.m. MST
Proposal Must Be Sealed, Delivered To, and Received By:

Town of Frederick
Frederick Feasibility Study
401 Locust Street
P.O. Box 435
Frederick, CO 80530
Attention: Jennifer Simmons, Planning Director

Phone: 720-382-5500

Fax: 720-382-5520

www.frederickco.gov



Market Validation and Financial Feasibility Study: Multi-Purpose Conference and Community Center Frederick, Colorado

The Town of Frederick, Colorado is seeking the services of a qualified consulting firm (or team of firms) to prepare a "Market Validation and Financial Feasibility Study" for a multi-purpose conference and community center. This Request-for-Proposals (RFP) describes the study background, proposed scope of services, schedule, and submission requirements.

As detailed later in this RFP, all proposals must be submitted to the Town of Frederick no later than 3:00 p.m., Friday, May 24, 2013.

1. Introduction and Study Background

- **Study Location**

The Town of Frederick is located in southwest Weld County along the Front Range of Colorado. Frederick is strategically located between three major cities – Denver, Boulder and Ft. Collins. The Town encompasses about 13.5 square miles of the County and has a planning area of 26 miles. Frederick is home to approximately 9500 permanent residents with a Carbon Valley population of approximately 25,000. There are approximately 550,000 people within 15 miles. The Town of Frederick is home to a diverse and affluent community and is growing rapidly with a projected population of 80,000 in 25 years. The planned location for the conference and community center is undecided.

- **Conference and Community Center Overview**

Currently there are no advertised conference and community centers in the Town of Frederick or adjacent communities to accommodate small to medium sized groups. Current facilities in the area that may be able accommodate this type of demand would more than likely have to develop a partnership to meet the meeting room requirements. To date, no conference and community center studies have been performed to evaluate the viability of a facility of this nature in Frederick. The Town currently has a vision for what this facility might consist of, but the study is critical for appropriate determination on all matters. Some of the vision to consider includes:

- Facility to accommodate 500 – 1,000 people
- Possible catering, restaurant and/or beverage facilities
- May be partnered with a hotel facility

2. Scope of Work

The Town of Frederick will evaluate submissions to this RFP and select the qualified respondent whose written proposal is determined to be the most thorough, practicable and responsive. Town of Frederick reserves the right to interview any/all of the respondents prior to selecting a preferred respondent. The Town of Frederick shall be the sole judge as to the acceptability of the services offered. Offeror shall make their submission based on the following scope of work and all other requested information in the sections below:

- **Study Goals**

- A comprehensive market study to validate the viability of a conference and community center to serve Frederick and the surrounding area.
- Determine the appropriate size (i.e. number of rooms to meet demand, necessary meeting rooms, food/beverage needs, and/or banquet area) and facility components.
- Determine estimates for capital/development costs, the operating expenditures, net expenses, and on-going and one-time revenues for a conference and community center in Frederick.

- **Work Elements**

- A. Conference and Community Center Market Validation**

- Estimate the approximate number of events per year for utilization of both the conference and community center by event type and the percentage occupancy associated with each event type.
- Project the probable annual percentage occupancy of the lodging facility based on the appropriate size developed above.
- Based upon the conference and community center market validation analysis, recommend the optimal footprint with suggested occupancy, the optimal number, size, and type of pertinent facility components needed within the facility, food and beverage services necessary, and the optimal number and types of lodging rooms needed on the facility premises. (i.e., square feet needed to support an event, number of lodging rooms to accommodate the event, etc.). This will include overall recommended square footage of the facility, parking area(s), common area grounds immediately surrounding the facility. (Pending verification of the viability of this project, the Town would expect to retain the services of an architectural firm to assist in this task. The architectural firm will be hired independently from the Market Validation and Financial Feasibility Study described in this RFP; however, the firm selected

to undertake this study may be expected to work closely with the architectural firm in the completion of this task.)

- Based upon the market validation analysis, consider the negative and positive affects a conference and community center may have upon the existing facilities and activities in Frederick.
- Examine the feasibility of conference and community center, including an analysis of the current market supply and utilization of conference/convention/meeting facilities. The Consultant will specifically analyze the potential impact this development would have on rates and utilization of area hotels and conference facilities.

B. Financial Feasibility Analysis

Capital Construction Analysis

- Based upon the market validation analysis, separately project annual (each year over 20 years) revenue sources that may be available for bonding to pay for the initial capital cost of the conference and community center.
- Based upon the market validation analysis, separately project initial, one time revenue sources that may be available for the initial capital cost of the conference and community center.
- Based upon the market validation analysis, recommend the ideal location for the site which would include the capital construction and land preparation costs for a conference and community center based on the proposed location.
- Prepare a sources and uses statement that incorporates the revenue and bond proceeds and a detailed use of funds.
- Required components for the financing plan include but are not limited to:
 - Public sector only financing scenario identifying one or more appropriate financing packages of debt issuance, state or federal grants, tax increment financing, or any other appropriate public financing mechanisms.
- Public/Private sector financing identifying one or more scenarios that could include:
 - Public sector ownership of the land and/or facility, with private sector management of the operations.
 - Public sector participation in the construction of a facility that is privately owned and operated, including investment in a LLC or partnership.

Operating Analysis

- Based upon the market validation analysis, separately project annual (each year over 10 years) facility-related operating revenues for the conference and community center.
- Based upon the market validation analysis, separately project initial, annual (each year over 10 years) and on-going operating expenditures for the conference and community center.
- Prepare a net operating income statement (by year over 10 years) that incorporates the operating revenues and expenditures to arrive at a projected surplus or loss that will require a Town subsidy.
- Based upon the conference and community center market validation analysis, recommend the optimal pricing and leasing strategy for a conference and community center to maximize its use and financial feasibility.

3. Consultant Selection Criteria

Consultant proposals will be evaluated using the following criteria as a respondents' ability to successfully complete the project scope of work. Cost will not be the sole basis for selection, since it is in the Town's best interest to retain a firm/team that has significant professional credentials.

The Town reserves the right to accept, reject, or negotiate any or all proposals, including the right to award the contract in whole or in part if it is deemed in the Town's best interest.

The merit of each submittal will be assessed using the following evaluation criteria:

1. Experience and Qualifications as evidenced by:
 - Company background and history
 - Relevant experience with other projects
 - Client references
 - Project samples
2. Strength of the proposed Project Team as evidenced by:
 - Appropriateness of management personnel and technical staff proposed.
 - Organizational approach to project management including work flow, reporting and quality assurance procedures.
 - Relevant experience with other projects.

3. Quality of the proposed approach to the scope of work as evidenced by:
 - Understanding and discussion of technical issues.
 - Methodology and technical plan of operations.
 - Project management plan and quality assurance procedures.
 - Innovation and thoughtfulness in work approach.
4. Ability to successfully complete the project as evidenced by:
 - Understanding of task sequencing and major milestone events.
 - Adequacy of resources.
 - Ability to complete work on a timely basis and meet deadlines.
 - Efficiency in use of available study resources.
5. Response Characteristics
 - Adherence to the required format.
 - Completeness of submittal.
6. Proposal cost
 - Overall Budget
 - Budget Breakdown by Phase

4. **RFP Submission Instructions**

- **Budget and Cost Submittals**

Proposed fees for services outlined on the RFP must be submitted in a separately sealed envelope within the submittal package bid as a phased project with costs for the Market Validation and Financial Feasibility Study provided and broken down in two phases. The envelope must be clearly marked with the firm's name, project title, and "Cost Sheet". The proposals will be initially reviewed without consideration to the fee.

- **Questions and Inquiries on Submittal**

All questions and inquiries must be submitted via email to receive an official answer. Interviews though may be scheduled as permitted and upon the availability of the Planning Director and/or Town Manager, but in no case less than five days prior to the deadline. Questions may be directed to either Jennifer Simmons (jsimmons@frederickco.gov) or Matt LeCerf (<mailto:mlecerf@frederickco.gov>).

- **Pre-Bid Conference**

An optional pre-bid conference will be held at Frederick Town Hall (401 Locust St.) on Monday, May 6, 2013 at 1:00 p.m.

- **Deadline for Submittal**

In order to be considered for funding, an original Proposal containing one (1) original with authorized signature, together with seven (7) copies and one (1) electronic version in PDF format must be hand delivered, delivered via U.S. Postal Service, or other mail delivery service by no later than **3:00 P.M. (MT) on Friday, May 24, 2013** to the following address below:

Frederick Town Hall
401 Locust St.
P.O. Box 435
Frederick, CO 80504
Attention: Jennifer Simmons, Planning Director
jsimmons@frederickco.gov

Mark the outside of the submittals with the titles, "Town of Frederick, CO, Conference and Community Center Study Fee Proposal."

- **Proposal Content**

All proposals at a minimum must provide the following:

1. Firm(s) name, address(s) and telephone number(s)
2. Type of services firm(s) particularly qualified to perform
3. Names of key personnel, experience of each, and length of service with the firm(s).
4. List of completed or in progress projects of similar nature was/were the principal professional or served as a subcontract
5. Willingness and capability to meet the time requirements
6. Statement of Understanding of the Study's Intent and Related Issues
7. Total proposed consultant budget (i.e., fee) by major task broken down by staff, materials, and other study expense
8. List of similar projects or experience (references)
9. Proposed Scope of Work
10. Supply two (2) names of projects in which you presented a report that indicated the project was not feasible – if applicable

5. Insurance and other Minimum Requirements

The following requirements are not required for submittal of the RFP, but only upon the selected Consultant to perform tasks and scope of the RFP.

- **Worker's Compensation and General Liability Insurance**

The Town of Frederick will require the selected consultant to be licensed to perform work in the State of Colorado where applicable and necessary. The qualified

consultant shall provide worker's compensation and comprehensive general liability insurance upon notification they have been selected and prior to receiving the Notice to Proceed.

- **Professional Liability Insurance**

Selected consultant shall provide Professional Liability Insurance, naming and protecting Consultant against claims for damages resulting from the Consultant's errors, omissions, or negligent acts. Such policy shall contain a limit of liability not less than one million dollars.

- **Standard Independent Contractor Agreement**

Selected consultant shall enter in the Standard Independent Contractor Agreement with the Town.

- **Other requirements**

Submittal of E-Verify, Affidavit of Work Authorization, and I-9 Status may also be required